

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

I

W-02031A
Indiada Water Company, Inc.
301 North Garden Avenue
Sierra Vista AZ 85635

JUL 26 2005

AZ Corporation Commission
Director of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004
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FOR COMMISSION USE

ANN04	04
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COMPANY INFORMATION

Company Name (Business Name) Indiada Water Co., Inc.

Mailing Address 301 North Garden Avenue

(Street)

Sierra Vista

(City)

AZ

(State)

85635

(Zip)

(520) 458-4388

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address _____

(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: _____

NATHAN WATKINS

(Name)

Manager

(Title)

301 N GARDEN AVE

(Street)

SIERRA VISTA

(City)

AZ

(State)

85635

(Zip)

520-458-~~9329~~ 3209

Telephone No. (Include Area Code)

520-439-9717

Fax No. (Include Area Code)

520-266-1976

Pager/Cell No. (Include Area Code)

Email Address _____

eswater@theriver.com

On Site Manager: _____

SAME

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Bob Watkins

(Name)

301 N GARDEN AVE

(Street)

SIERRA VISTA

(City)

AZ

(State)

85635

(Zip)

520-458-4388

Telephone No. (Include Area Code)

520-459-7603

Fax No. (Include Area Code)

N/A

Pager/Cell No. (Include Area Code)

Attorney: N/A

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☒ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☒ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME Indiada Water Co., Inc.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	750		750
304	Structures and Improvements			
307	Wells and Springs	14,684	14,414	270
311	Pumping Equipment	11,100	7,648	3,452
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	18,217	13,490	4,727
333	Services			
334	Meters and Meter Installations	3,068	3,033	35
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	7,297	5,339	1,958
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	55,116	43,924	11,192

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Indiada Water Co., Inc.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	750		
304	Structures and Improvements			
307	Wells and Springs	14,684		41
311	Pumping Equipment	11,100		1,137
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	18,217		1,272
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	7,297		850
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	55,116		3,300

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 8,090	\$ 5,224
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 8,090	\$ 5,224
	FIXED ASSETS		
101	Utility Plant in Service	\$ 55,116	\$ 55,116
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	40,624	43,924
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 14,492	\$ 11,192
	TOTAL ASSETS	\$ 22,582	\$ 16,416

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME Indiada Water Co., Inc.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
		1,771	201
	CURRENT LIABILITES		
231	Accounts Payable	\$ 1,771	\$ 201
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	530	480
236	Accrued Taxes	731	833
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 3,032	\$ 1,514
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 4,125	\$ 0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 7,157	\$ 1,514
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 41,300	\$ 41,300
211	Paid in Capital in Excess of Par Value	- 22,643	-22,643
215	Retained Earnings	8,068	7,545
218	Proprietary Capital (Sole Props and Partnerships)	- 11,300	-11,300
	TOTAL CAPITAL	\$ 15,425	\$ 14,902
	TOTAL LIABILITIES AND CAPITAL	\$ 22,582	\$ 16,416

COMPANY NAME Indiada Water Co., Inc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 27,045	\$ 23,831
460	Unmetered Water Revenue		
474	Other Water Revenues	204	214
	TOTAL REVENUES	\$ 27,249	\$ 24,045
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 11,441	\$ 9,250
610	Purchased Water	5,085	2,767
615	Purchased Power	892	943
618	Chemicals		
620	Repairs and Maintenance	835	678
621	Office Supplies and Expense	692	737
630	Outside Services	1,160	1,280
635	Water Testing	750	816
641	Rents	400	1,200
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	434	110
403	Depreciation Expense	3,240	3,300
408	Taxes Other Than Income	1,328	1,254
408.11	Property Taxes	1,881	2,030
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 28,138	\$ 24,365
	OPERATING INCOME/(LOSS)	\$ - 889	\$ - 320
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	-433	-202
	TOTAL OTHER INCOME/(EXPENSE)	\$ -433	\$ -202
	NET INCOME/(LOSS)	\$ -1,322	\$ -522

COMPANY NAME

Indiada Water Co., Inc.

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 480.00

Meter Deposits Refunded During the Test Year

\$ 150.00

COMPANY NAME	Indiada Water Co., Inc.
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WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-805790	1	12	55	8	N/A	1970
55-805791	2	20	150	8	N/A	1966
55-805792	1.5	20	145	8	2	1967

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Antelope Run Water	100 +	1975.4

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
12,000	1	1,000	2
		85	2

COMPANY NAME

Indiada Water Co., Inc.

WATER COMPANY PLANT DESCRIPTION (CONTINUED)**MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	210
3	AC/PVC	10000
4		
5		
6	PVC	1800
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	53
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:*Fences*

OTHER:*Office Furniture*

COMPANY NAME: Indiada Water Co., Inc.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLON PUMPED (Thousands)
JANUARY	56	471	
FEBRUARY	55	313	
MARCH	56	245	
APRIL	56	329	
MAY	56	329	
JUNE	56	431	
JULY	56	625	
AUGUST	56	446	
SEPTEMBER	52	425	
OCTOBER	51	397	
NOVEMBER	51	498	
DECEMBER	52	310	
TOTAL			

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (X) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. < 0.001 mg/l
(If more than one well, please list each separately.) All wells

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Indiada Water Co., Inc. YEAR ENDING 12/31/2004

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 2,970

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

INDIADA WATER COMPANY, INC.

301 N. GARDEN AVE.
SIERRA VISTA, ARIZONA 85635
(520) 458-4388

WELLS FARGO BANK
Sierra Vista Office
Sierra Vista, Arizona

91-527/1221

2240

4/5/2004

PAY TO THE ORDER OF **MARSHA BONHAM COCHISE COUNTY TREAS**

\$ ****940.28**

Nine Hundred Forty and 28/100*****

DOLLARS

MARSHA BONHAM COCHISE COUNTY TREAS
PO BOX 1778
BISBEE AZ 85603

MEMO

PAR # 937-26-870-7 2nd 1/2

⑈002240⑈ ⑆122105278⑆0818297673⑈

⑈0000094028⑈

04-937-26-870-7
INDIADA WATER COMPANY, INC.
301 N. GARDEN AVE.
SIERRA VISTA, ARIZONA 85635
(520) 458-4388

WELLS FARGO BANK
Sierra Vista Office
Sierra Vista, Arizona

91-527/1221

2319

10/5/2004

PAY TO THE ORDER OF **MARSHA BONHAM COCHISE COUNTY TREAS**

\$ ****2,029.66**

Two Thousand Twenty-Nine and 66/100*****

DOLLARS

MARSHA BONHAM COCHISE COUNTY TREAS
PO BOX 1778
BISBEE AZ 85603

MEMO

⑈002319⑈ ⑆122105278⑆0818297673⑈

⑈0000202966⑈

COMPANY NAME Indiada Water Co., Inc.

YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>301</u>
Estimated or Actual Federal Tax Liability	<u>0</u>

State Taxable Income Reported	<u>301</u>
Estimated or Actual State Tax Liability	<u>0</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u> </u>
Amount of Gross-Up Tax Collected	<u> </u>
Total Grossed-Up Contributions/Advances	<u> </u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Nathan Watkins
SIGNATURE

7/22/05
DATE

NATHAN WATKINS
PRINTED NAME

PRESIDENT
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<u>COCHISE</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>NATHAN WATKINS</u>
COMPANY NAME
<u>Indiada Water Co., Inc.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2004</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 25,530

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 1,485
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

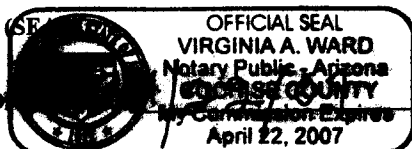
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

25th

DAY OF

COUNTY NAME
<u>Cochise</u>
MONTH
<u>July</u>
<u>2005</u>



MY COMMISSION

Nathan Watkins
SIGNATURE OF OWNER OR OFFICIAL
520-458-3209
TELEPHONE NUMBER

Virginia A. Ward
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>COCHISE</u>	
NAME (OWNER OR OFFICIAL) <u>NATHAN WATKINS</u>	TITLE <u>PRESIDENT</u>
COMPANY NAME <u>Indiada Water Co., Inc.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2004</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>25,530</u>

**(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 1485
IN SALES TAXES BILLED, OR COLLECTED)**

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

Nathan Watkins
SIGNATURE OF OWNER OR OFFICIAL

520-458-3209
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

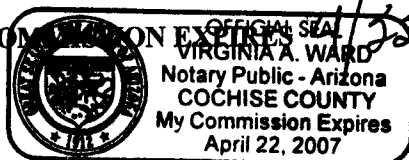
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 25th **DAY OF**

NOTARY PUBLIC NAME <u>Virginia A. Ward</u>	
COUNTY NAME <u>Cochise</u>	
MONTH <u>July</u>	YEAR <u>2005</u>

(SEAL)

MY COM



X Virginia A. Ward
SIGNATURE OF NOTARY PUBLIC